

individuals and businesses. Pool Declaration at ¶ 9. Moreover, processes that become critical within the guise of international transactions are non-existent in a domestic transaction. Pool Declaration at ¶ 9. For example, the purchase of a loaf of bread in the local grocery store does not require, nor come with, hard evidence of ownership, government/regulatory compliance, commercial invoices, currency conversions and complicated freight arrangements. However, hard evidence of ownership, government/regulatory compliance, commercial invoices, currency conversions and complicated freight arrangements are standard operating procedures in the world of global trade logistics and transactions. Pool Declaration at ¶ 10.

As discussed in the specification, Table A illustrates some of the costs associated with an international trade transaction. Specification at 17 (as amended herein). However, Table A also illustrates the complexity of the process that a buyer or seller or combination of the two must go through in order to successfully execute an international trade transaction. As Mr. Pool states in his declaration, an international trade transaction "is not a transaction for the faint of heart or the novice." Pool Declaration at ¶ 9.

*1. The Terms Used in International Trade Reflect the Nature of the Transactions to Which the Terms Apply*

Like many other subject matter areas, the area of international trade has its own lexicography. Accordingly, a person of skill in the art, reading the specification, interprets the specification in light of this lexicography. See, e.g., Multifarm Desiccants, Inc. v. Medzam, Ltd., 133 F.3d 1473, 1477 (Fed. Cir. 1998) (A person of skill in the art "is deemed to read the words used in the patent documents with an understanding of their meaning in the field, and to have knowledge of any special meaning and usage in the field."); Pool Declaration at ¶ 7 (specification

uses terms of art in international trade). For example, while a person of skill in the art understands that a "commercial invoice" serves as a bill for the goods from the seller to the buyer, a person of skill in the art also understands that a commercial invoice is used by governments, carriage companies, forwarders, insurance companies, banks, and other servicing firms to perform and control imports or exports, and typically provides information about the exporter, consignee, intermediate consignee, forwarding agent, bill of lading number, export references, etc. Pool Declaration at ¶ 8. Accordingly, a person of skill in the art would not equate the term "invoice" with the phrase "commercial invoice." A sample commercial invoice from the website of Unz & Company, Inc., a principal publisher in the area of international trade that has been in business since the 19<sup>th</sup> century, is attached as an exhibit to the Pool Declaration. An "invoice" is typically a term, used in connection with domestic commerce, for a simpler document that is distinct from a commercial invoice. Pool Declaration at ¶ 8.

A person of skill in the art also understands that "ownership" of goods in international transit varies in accordance with the terms of the sales agreement between the buyer and the seller. Pool Declaration at ¶ 11. For example, when goods are shipped Ex Works, the buyer assumes ownership of the goods from the time the goods are placed at the disposal of the buyers, usually at the seller's premises. See Guide to Incoterms 1990 (ICC Publishing, SA 1991), 42-43 (hereinafter "Guide"), a copy of which is being filed in an Information Disclosure Statement on or before the filing of this Amendment After Final. Thus, in an Ex Works transaction, the commercial invoice connotes ownership. Id. In contrast, when goods are shipped Cost, Insurance and Freight, the buyer assumes ownership of the goods when the seller has delivered

the goods to the named port of destination and submitted the proper documentary evidence. See id. at 50-51. Thus, in a Cost, Insurance and Freight transaction, the commercial invoice, the transport document, the export license, and an insurance policy connote ownership. Id.

Accordingly, a person of skill in the art would not necessarily equate a single "international trade" document as evidencing ownership of goods in an international transaction. Rather, a person of skill in the art reading the specification would understand that the generated "electronic title" includes the commercial invoice, but is not limited to the commercial invoice. Thus, to a person of skill in the art, the specification's use of the phrase "electronic title or commercial invoice" does not mean that the phrase "electronic title" is interchangeable with the phrase "commercial invoice." Pool Declaration at ¶ 12.

**B. Given the Meaning of Relevant Terms in the Claims in the Context of International Trade, the Claimed Invention Distinguishes over the Prior Art**

In general, the claimed invention provides a computerized process and a system for carrying out an international trade transaction. In particular, the process defined by claim 1 first determines the language for viewing a products catalogue and the currency in which to obtain a price for the products in the catalogue. Elements (a) and (b). Then, the process receives a product selection and a destination for shipping the selected product to. Element (c). Upon receipt of the product selection, the process accesses price information, international product codes, or shipping information for the selected product and calculates the costs of moving the selected product to the selected destination. Elements (d) and (e). Upon receipt of an order for the selected product, the claimed process confirms the existence of funds to purchase the selected

product. Element (f). Upon confirmation of the existence of available funds, the claimed process generates an electronic title for the selected product. Element (g). The electronic title includes at least the data content of a commercial invoice and is configured to define ownership of the selected product, as well as to facilitate the movement of the selected product to the selected destination.

The system defined by claim 13 involves a series of elements that can be used to carry out the disclosed process. These elements include means for accessing a plurality of databases, element (a), means for confirming the existence of available funds, element (b), and means for generating an electronic title for goods, the electronic title including at least the data content of a commercial invoice and configured to define ownership and facilitate the passage of the goods, element (c). In addition, the system includes a means for routing the electronic title in correspondence to a transportation route of the goods. Element (d).

1. *The Claims Recite Novel Subject Matter*

a. Schell Does Not Teach or Suggest a Process or System for Carrying out an International Trade Transaction

In general, Schell discusses a software application, Business 400, that includes modules for order entry and processing, inventory management, accounting, and reporting. Schell at p. 117, col. 2. Schell teaches that Business 400's order entry and processing modules include "multiple currencies . . . stock availability by warehouse, on-line credit checking, automatic shipping charges, . . . sales tax processing, [and] misc. charges." *Id.* at p. 118, col. 3. As shown in Dr. Hugo G. Blasdel's declaration, Schell's reference to multiple currencies addresses the use of the software application in any one of a number of countries, the countries using different

currencies, for use in domestic transactions in such country. Blasdel Declaration at ¶ 4 (hereinafter "Blasdel Declaration") (filed with the PTO on April 18, 2001). Thus, Schell does not discuss converting the prices in a catalog into a selected currency in which to display those prices, as recited in claim 1, element (b).

Although Schell also teaches that the "system's" SAA standards and flexibility play a role in giving the program an international edge . . . since global word replacements on all screens and menus facilitate translation of the screens and reports to the user's language," Schell at 117, col. 4, there is no disclosure in Schell indicating the manner in which the application may be used to structure an international transaction. Blasdel Declaration at ¶ 5. In addition, while Schell further asserts that Business 400 "boasts a complete set of import/export processing routines," Schell at 117, col. 4, the operative word in the phrase is "processing," a term that implicitly applies to data being imported and exported, not goods being imported and exported. Blasdel Declaration at ¶ 5. In other words, there is no disclosure in Schell of any structure for handling the import and export of goods in international transactions. Blasdel Declaration at ¶ 5.

Further, although Schell alludes to Business 400's "strong" EDI function, Schell at 117, col. 2, the allusion does not imply a relationship to UN/EDIFACT, the putative standard developed for electronic messaging in an international trade. Blasdel Declaration at ¶ 6; David S. Files Declaration at ¶ 8 (hereinafter "Files Declaration") (filed with the PTO on April 18, 2001). Moreover, the fact that a software product may support EDI does not mean that the product has any utility in processing international trade transactions as recited in claims 1-17. Blasdel Declaration at ¶ 6; Files Declaration at ¶ 8; Pool Declaration at ¶ 13. In other words, Schell

provides no disclosure for the real-time processing of international trade transactions. Blasdel Declaration at ¶ 6; Files Declaration at ¶ 8; Pool Declaration at ¶ 13.

b. Cahn Does Not Teach or Suggest a Process or System for Carrying out an International Trade Transaction

In general, Cahn discusses various uses for electronic data interchange ("EDI") in four different contexts: (1) financial; (2) international trade; (3) government; and (4) multi-media. Cahn at 1-2. Cahn defines EDI as "inter-company computer-to-computer communication of standard business transactions in a standard format." Id. at 3. According to Cahn, in using EDI, companies agree to a standard format for the electronic transmission of data between the companies. Id. In Cahn's example, a sending computer application generates a business transaction, transmits the business transaction to a "receiver" and the "receiver" uses the transmitted data as input to a receiving computer application. Id. According to Cahn, the "receiver" may be computer hardware and/or computer software, or a third-party service provider. Id. Cahn claims that a business transaction includes, for example, processing a purchase order or billing a customer. Id.

While Cahn teaches that in financial applications EDI is used to generate "electronic invoices or similar activities," id. at 2, Cahn's electronic "invoices" are distinct from "commercial invoices" used in international transactions. Blasdel Declaration at ¶ 7; Pool Declaration at ¶ 11. As discussed above, in international trade, the phrase "commercial invoice" is a term of art. Moreover, Cahn's use of the term "invoice" in connection with a financial application limits that term's context to domestic transactions. Blasdel Declaration at ¶ 7; Pool Declaration at ¶ 11.

Furthermore, while an EDI message standard provides a format by which information in an electronic invoice may be transferred from one computer system to another computer system, both an EDI application and message standard are unconcerned with the compilation of information into a business document. Blasdel Declaration at ¶ 8; Files Declaration at ¶ 9. Thus, Cahn's use of the phrase "using EDI to generate electronic invoices" is an inaccurate reference to EDI. Blasdel Declaration at ¶ 8; Files Declaration at ¶ 9. As shown in Dr. Blasdel's and Mr. Files's declaration, an EDI application sends and receives data in standard format and translates that data from and to business applications, an EDI application does not generate the data contained in business documents. Blasdel Declaration at ¶ 8; Files Declaration at ¶ 9.

In the context of international trade, Cahn teaches the use of EDI in tracking "in transit" inventory. Id. In other words, EDI may be used to track "where a product shipment is at any one point in time and marry that information with data on who has responsibility for that shipment." Id. This use of tracking in-transit inventory does not apply to the invention as claimed.

In a government context, Cahn discloses the use of EDI in generating purchase orders from commissaries to food manufacturers, generating various business transactions from the Department of Defense to commercial vendors and/or other government entities, and passing corporate payments to the Department of the Treasury through the banking industry. Id. at 3. Further, in a multi-media context, Cahn discloses the use of EDI in transmitting and generating graphical representations of product characteristics. Id. These uses of EDI also do not apply to the invention as claimed.

2. *The Claims Also Recite Non-obvious Subject Matter*

As discussed above, Schell discloses a software application for use in domestic transactions. There is no disclosure in Schell of any methods or structures for implementing international transactions. Schell's reference to "international edge" addresses the ability of the software to accommodate domestic transaction in any of a number of countries. Blasdel Declaration at ¶ 5. In addition, Schell's reference to "import/export processing" addresses the ability to process data, not goods. Blasdel Declaration at ¶ 5. Furthermore, Cahn discloses various EDI applications, which are applications that send and receive data in standard format and translate that data from and to business applications. Blasdel Declaration at ¶ 8; Files Declaration at ¶ 9.

Thus, these references alone, or in combination, do not teach or suggest the computerized process recited in claim 1 for carrying out an international transaction, nor the system recited in claim 13 for carrying out all requirements for a complete international transaction using computer-to-computer operation. In other words, neither Schell, Cahn, nor Schell in view of Cahn, teach or suggest the invention recited in claims 1-17.

3. *The Claimed Invention Is Not the Automation of a Manual Process Which Accomplishes the Same Result*

The claimed invention provides a computerized process, defined, for example, in claim 1, and system, defined, for example, in claim 13, for carrying out an international trade transaction. In the computerized process and system, an electronic title is generated, the electronic title including at least the data content of a commercial invoice and being configured to define ownership and facilitate the international passage of goods. There is no corresponding manual process for generating such a "title." Rather, what is done today in an international trade



transaction involves separate negotiations with various parties in a series of distinct functions, such as negotiations with shipping companies, insurance companies, banks, freight forwarders, as well as the preparation of documents dealing with the outcome of these various negotiations, such as the preparation of the commercial invoice, the transport document, the export license, and the insurance policy. These documents are prepared, and the services to which they relate are provided, at various points in time and place, typically over many days.

Moreover, if these manual activities were automated to accomplish the same results as the manual activities, such a hypothetical automation would be the preparation of a series of distinct electronic documents using, for example, EDI message formats, at various points in time and place, and translating data from these electronic documents, at various points in time and place, from and to business applications. See In re Venner, 262 F.2d 91, 95 (CCPA 1958) (stating that "it is not 'invention' to broadly provide a mechanical or automatic means to replace manual activity which has accomplished the same result") (emphasis added). See also Blasdel Declaration at ¶ 8; Files Declaration at ¶ 9. In other words, beyond the automation of a series of separate activities involving transportation, insurance, etc., the subject matter of claims 1-17 involves for the first time the "useful, concrete, tangible result" of an integrated computerized approach to conducting international trade transactions. State Street Bank & Trust v. Signature Fin. Group, 149 F.3d 1368, 1373-75 (holding as statutory subject matter the transformation of data that produces a "useful, concrete, and tangible result").

Because it has been shown that the references neither disclose or suggest the subject matter claimed herein, the Examiner's reasoning does not support a prima facie case of

obviousness. See MPEP §§ 2142-43 (stating that, in establishing a prima facie case of obviousness, three basic criteria are required, including the requirement that the prior art references teach or suggest all the claim limitations).

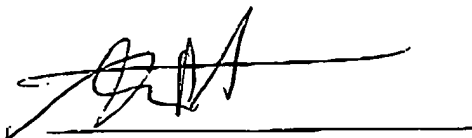
### Conclusion

If any extension of time is required, Applicants request that the extension, and any additional fees for timely consideration of this application, be charged to Deposit Account No. 19-4972.

A marked-up version of the changes made to the claims by the current Amendment After Final is attached herewith as Version with Markings to Show Changes Made to the Claims. Also, as noted above, a copy of Applicants' Amendment After Allowance, which makes changes to the specification and drawings, is attached herewith as Exhibit 1.

It is submitted that all of the claim rejections have been addressed and that all of the pending claims are now in a condition for allowance. Accordingly, Applicants respectfully request reconsideration of the application and issuance of a notice of allowance.

Respectfully submitted,



Bruce D. Sunstein  
Registration No. 27,234  
Attorney for Applicants

BROMBERG & SUNSTEIN, LLP  
125 Summer Street  
Boston, MA 02110-1618  
Tel: (617) 443-9292  
Fax: (617) 443-0004  
152410